

SBA, Enzi schedule hearing

Public gets to air regulatory concerns

By **TOM MORTON**
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The federal regulations intended to foster a cleaner environment or a safer workplace, and the agents who enforce them, sometimes cause more problems than they solve, an official of the U.S. Small Business Administration said last week.

Those problems range from harassment and emotional harm, to the financial ruin of small businesses, said Michael Barrera, the SBA's national ombudsman.

"Our mission is to be the primary negotiator on behalf of small businesses," Barrera said in an interview from Washington.

Barrera, U.S. Sen. Mike Enzi, R-Wyo, members of the SBA's regional fairness board, and representatives of federal agencies will receive comments from trade associations and individuals at a hearing in Evanston from 8:30 a.m. to 12:30 p.m. Monday at the Best Western Dunmar Inn, 1601 Harrison Drive.



MICHAEL BARRERA
SBA national ombudsman

Barrera has seen business, legal and regulatory issues from a variety of experiences including his family's restaurant business in Kansas City, Mo.; marketing with the Miller Brewing Co.; law, as an assistant prosecuting attorney for Jackson County, Mo.; and leadership of the Hispanic Chamber of Commerce of Greater Kansas City.

Barrera, who was appointed by President Bush, started work on Aug. 24 and has conducted similar hearings around the country.

The SBA fields 10 regulatory fairness boards nationwide, and conducts at least one roundtable a year in each region for people with small businesses or nonprofit organizations who have concerns about federal agencies, and who may be under investigation, he said.

The SBA asks trade associations in the region to invite their members to air their criticisms, concerns and compliments about the ways federal agencies enforce their regulations.

Individuals who are not members of these organizations are welcome, too.

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Associations invited to the hearing Monday include the Wyoming Association of Conservation Districts, the Wyoming Business Council, the Wyoming Stock Growers Association and People for the USA.

Representatives of federal agencies such as the Department of Interior and the Department of Agriculture will attend, too, he said.

The ombudsman's office will receive the complaints, conduct its own investigation, forward them to the agencies and consider their replies, he said.

Some small businesses that fear a public complaint may trigger retaliation on the part of a federal agency may file their complaints anonymously, he said.

If a complaint is legitimate, the ombudsman's office will issue report cards to the agency and ask that it remedy the situ-

ation, Barrera said. "We report on positive comments, too."

About half the complaints received by his office are legitimate, Barrera said.

Neither the agencies in Washington nor the agents in the field want to harm small businesses, Barrera said. "I think for the most part, their intentions are good."

But communication sometimes breaks down between Washington and the rest of the country, and between the agents and the businesses they oversee. Problems and even harassment also can arise when agents receive pressure from their superiors, Barrera said.

The results are both economic and personal, he said, citing testimony from a hearing in Rhode Island.

A five-member family that owned a small service station had legally dumped waste oil at

site that went out of business. That place later became an EPA Superfund Site, and regulators began sending letters to the family demanding compliance and payments. The family's responses, attorney's fees and other costs nearly drove the family out of business, Barrera said.

Nationally, federal regulatory compliance costs the U.S. economy nearly \$750 billion, he said.

That cost falls disproportionately on small businesses, which are those with fewer than 500 employees, he said.

Federal regulations will cost a small business \$7,000 a year, compared to mid-sized businesses that will spend \$3,500, Barrera said.

The regulatory system and its laws have brought Americans clean air and safe highways, but they're not perfect, he said. "We want to make sure they are enforced fairly."